

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **THURSDAY, DECEMBER 6, 2007**, upon the application of **PALM ENERGY OFFSHORE, LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **7,600' Sand, Reservoir B**, in the West Delta Block 52 Field, Plaquemines Parish, Louisiana.

1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of oil and gas from the 7,600' Sand, Reservoir B.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate Palm Energy Offshore, LLC as operator of the proposed unit.
4. To designate its State Lease 18936 No. 1 Well as unit well for the proposed unit.
5. To provide that any future wells drilled to the 7,600' Sand, Reservoir B, should be located in accordance with the provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
6. To provide that the Commissioner of Conservation should be authorized to reclassify the 7,600' Sand, Reservoir B, by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
7. To consider such other matters as may be pertinent.

The 7,600' Sand, Reservoir B is hereby defined as being oil and gas bearing sand encountered between the depths of 8,222' and 8,333' (electrical log measurements) in the Palm Energy Offshore, LLC-State Lease 18936 No. 1 Well (formerly the AO OA 001 No. 1 Well), located in Township 23 South, Range 31 East.

A plat is available for inspection in the Office of Conservation in **Baton Rouge and Lafayette**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

**JAMES H. WELSH
COMMISSIONER OF CONSERVATION**

Baton Rouge, LA

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.